

**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**PERFORMANCE REPORT FOR MARCH 2002**

5/13/2002

	Assets as of March 31, 2002			*RATES OF TOTAL RETURN						
	EMV \$(000)	Actual Alloc	Policy Alloc	Quarter Ended				2002 FYTD	YR Ended 6/30/2001	
				Mar-02	Dec-01	Sep-01	Jun-01			
LARGE CAP EQUITY										
Structured Growth										
Alliance Capital Management	24,645	2.1%	2.3%	-5.89%	15.49%	-20.69%	10.03%	-13.80%	-28.08%	
RUSSELL 1000 GROWTH				-2.59%	15.14%	-19.41%	8.42%	-9.61%	-36.18%	
Structured Value										
LSV	29,485	2.6%	2.3%	9.28%	8.73%	-8.79%	8.10%	8.38%	28.93%	
RUSSELL 1000 VALUE				4.09%	7.37%	-10.95%	4.88%	-0.48%	3.84%	
Enhanced S&P Index (1)										
Northern Trust Global Investments	50,737	4.4%	4.5%	0.48%	10.54%	-14.35%	5.69%	-4.87%	N/A	
Strong Capital	51,934	4.5%	4.5%	0.82%	11.72%	-15.98%	3.71%	-5.36%	N/A	
Westridge Capital	54,350	4.7%	4.5%	0.47%	10.90%	-14.60%	5.60%	-4.85%	N/A	
Total Enhanced S&P Index	157,021	13.6%	13.5%	0.59%	11.05%	-14.96%	5.02%	-5.00%	N/A	
S&P 500				0.28%	10.69%	-14.68%	5.85%	-5.29%	N/A	
Enhanced Russell 1000 Index (1)										
Wilshire	52,052	4.5%	4.5%	1.45%	10.79%	-15.41%	6.52%	-4.92%	N/A	
RUSSELL 1000				0.74%	11.11%	-15.23%	6.31%	-5.12%	N/A	
S&P 500 Index										
State Street - S&P 500 Index	87,494	7.6%	7.5%	0.28%	10.69%	-14.68%	5.85%	-5.30%	-14.75%	
S&P 500				0.28%	10.69%	-14.68%	5.85%	-5.29%	-14.83%	
TOTAL LARGE CAP EQUITY	350,697	30.5%	30.0%	0.86%	11.03%	-14.80%	6.06%	-4.59%	-11.52%	
S&P 500				0.28%	10.69%	-14.68%	5.85%	-5.29%	-14.83%	
SMALL CAP EQUITY (2)										
SEI	102,527	8.9%	8.0%	2.37%	20.00%	-20.04%	N/A	-1.78%	N/A	
RUSSELL 2000 + 200 bp				4.48%	21.59%	-20.29%	14.79%	1.27%	N/A	
TOTAL SMALL CAP EQUITY	102,527	8.9%	8.0%	2.37%	20.00%	-20.02%	-5.80%	-1.75%	1.69%	
RUSSELL 2000				3.98%	21.09%	-20.79%	14.29%	-0.26%	0.57%	
INTERNATIONAL EQUITY										
Int'l Large Cap - Core										
State Street	17,285	1.5%	1.6%	1.59%	7.71%	-15.06%	0.60%	-7.06%	-17.93%	
MSCI 50% HEDGED EAFE INDEX				1.26%	8.60%	-16.41%	0.15%	-8.08%	-17.95%	
Int'l Large Cap - Active										
Capital Guardian	47,105	4.1%	4.0%	0.92%	12.46%	-17.26%	0.85%	-6.09%	-20.14%	
Bank of Ireland	9,552	0.8%	0.8%	N/A	N/A	N/A	N/A	N/A	N/A	
Total Int'l Large Cap - Active	56,657	4.9%	4.8%	0.86%	12.46%	-17.26%	0.85%	-6.15%	-20.14%	
MSCI 50% HEDGED EAFE INDEX				1.26%	8.60%	-16.41%	0.15%	-8.08%	-17.95%	
Int'l Small Cap - Active										
Lazard	9,426	0.8%	0.8%	N/A	N/A	N/A	N/A	N/A	N/A	
Wellington	9,024	0.8%	0.8%	N/A	N/A	N/A	N/A	N/A	N/A	
Total Int'l Small Cap - Active	18,450	1.6%	1.6%	N/A	N/A	N/A	N/A	N/A	N/A	
SSB Broad Market Index <\$2bn				N/A	N/A	N/A	N/A	N/A	N/A	
TOTAL INTERNATIONAL EQUITY	92,392	8.0%	8.0%	0.66%	10.06%	-16.14%	0.72%	-7.09%	-18.81%	
MSCI 50% HEDGED EAFE INDEX				1.26%	8.60%	-16.41%	0.15%	-8.08%	-17.95%	
EMERGING MARKETS										
Value - Active - Commingled										
Capital Guardian	60,403	5.2%	5.0%	10.64%	29.87%	-24.96%	6.98%	7.83%	-29.31%	
MSCI EMERGING MKTS FREE INDEX				11.41%	26.60%	-21.60%	3.90%	10.58%	-25.93%	
DOMESTIC FIXED INCOME										
Core Bond										
Western Asset	56,286	4.9%	4.6%	0.42%	-0.15%	4.75%	1.37%	5.03%	13.40%	
LB AGGREGATE				0.09%	0.05%	4.61%	0.56%	4.76%	11.22%	
Active Duration										
Criterion	55,735	4.8%	4.6%	0.42%	-0.76%	3.28%	0.67%	2.93%	12.34%	
LB AGGREGATE				0.09%	0.05%	4.61%	0.56%	4.76%	11.22%	
Index										
Bank of North Dakota	60,054	5.2%		-0.17%	-0.09%	5.01%	0.04%	4.74%	11.04%	
BND (Match Loan Program)	17,654	1.5%		1.37%	1.45%	1.43%	1.45%	4.31%	5.89%	
Total Bank of North Dakota	77,708	6.7%	7.0%	0.24%	0.24%	4.19%	0.37%	4.69%	9.79%	
LB GOV/CORP				-0.47%	0.06%	4.76%	0.30%	4.33%	11.13%	

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Core										
Strong Capital	60,227	5.2%	4.6%	-0.85%	0.45%	4.04%	1.17%	3.62%	13.45%	
LB BAA BOND INDEX				-0.23%	0.35%	3.59%	0.79%	3.71%	6.00%	
Convertibles										
TCW	59,064	5.1%	4.6%	-1.90%	12.91%	-16.04%	4.87%	-7.00%	-13.58%	
1ST BOSTON CONVERTIBLE INDEX				-0.16%	7.67%	-11.01%	4.12%	-4.34%	-11.87%	
Timberland										
Wachovia	18,320	1.6%	2.5%	0.00%	0.15%	N/A	N/A	N/A	N/A	
TOTAL DOM FIXED INCOME	327,340	28.4%	28.0%	-0.27%	2.09%	0.42%	1.55%	2.24%	6.87%	
LB AGGREGATE				0.09%	0.05%	4.61%	0.56%	4.76%	11.22%	
HIGH YIELD BONDS										
Western Asset	60,605	5.3%	5.0%	0.53%	5.75%	-4.41%	-1.75%	1.62%	-4.46%	
LB HIGH YIELD BOND INDEX				1.68%	5.78%	-4.23%	-2.29%	3.01%	-0.96%	
INTERNATIONAL FIXED INCOME										
Intl Core										
Brinson	53,509	4.6%	5.0%	-1.52%	-3.56%	7.80%	-2.51%	2.38%	-7.58%	
SALOMON NON-US GOV'T BOND				-1.87%	-3.97%	7.75%	-1.97%	1.54%	-7.43%	
REAL ESTATE (3)										
JMB	1,022	0.1%		14.91%	-15.82%	2.13%	1.19%	-1.21%	1.92%	
TCW	0	0.0%		N/A	-10.72%	-4.64%	-8.63%	N/A	25.25%	
INVESCO	33,219	2.9%		0.59%	3.23%	1.39%	2.09%	5.28%	13.52%	
J.P. Morgan	28,273	2.5%		0.65%	1.23%	1.47%	2.41%	3.39%	10.27%	
TOTAL REAL ESTATE	62,514	5.4%	5.0%	0.80%	2.25%	1.34%	2.22%	4.45%	11.92%	
NCREIF PROPERTY INDEX				1.67%	1.58%	1.75%	2.26%	5.08%	11.15%	
PRIVATE EQUITY (3)										
Brinson IVCF II	301	0.0%		-1.94%	-11.17%	-18.72%	-1.37%	-29.19%	-32.28%	
Coral Partners II	408	0.0%		13.68%	-31.45%	-27.90%	9.90%	-43.81%	-49.84%	
Coral Partners V	11,072	1.0%		-9.51%	-11.30%	-34.09%	-1.35%	-47.10%	19.29%	
Coral Partners Supplemental V	467	0.0%		-2.91%	-0.92%	N/A	N/A	N/A	N/A	
Brinson 1998 Partnership Fund	2,158	0.2%		-1.56%	-11.87%	-3.49%	-11.40%	-16.27%	-3.63%	
Brinson 1999 Partnership Fund	2,434	0.2%		-5.24%	-11.39%	-1.32%	-7.40%	-17.15%	-4.36%	
Brinson 2000 Partnership Fund	2,915	0.3%		-5.40%	-4.11%	-0.50%	-2.89%	-9.74%	2.74%	
Brinson 2001 Partnership Fund	596	0.1%		-0.58%	-1.75%	-0.12%	1.13%	-2.44%	N/A	
Brinson 2002 Partnership Fund	131	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	
Brinson 1999 Non-US Partnership Fund	876	0.1%		-3.46%	-0.95%	-1.98%	-3.16%	-6.27%	2.24%	
Brinson 2000 Non-US Partnership Fund	645	0.1%		-5.99%	2.67%	-1.98%	-3.50%	-5.39%	-7.03%	
Brinson 2001 Non-US Partnership Fund	318	0.0%		0.66%	0.66%	0.66%	0.66%	1.99%	N/A	
Brinson BVCF IV	5,545	0.5%		-9.99%	-3.90%	-11.21%	-3.31%	-23.20%	-11.46%	
InvestAmerica Lewis & Clark Fund	66	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	
Hearthstone	2,876	0.2%		4.07%	3.57%	2.94%	8.16%	10.96%	8.17%	
TOTAL PRIVATE EQUITY	30,810	2.7%	5.0%	-6.07%	-7.28%	-16.22%	-2.20%	-27.04%	2.62%	
POST VENTURE CAPITAL INDEX				-10.82%	29.99%	-35.63%	23.87%	-25.38%	-48.23%	
CASH EQUIVALENTS										
TNT Short Term Extendable Portfolio	10,813	0.9%	1.0%	0.48%	0.49%	1.03%	1.34%	2.01%	5.91%	
90 DAY T-BILLS				0.43%	0.64%	1.08%	1.12%	2.16%	5.90%	
TOTAL FUND	1,151,609	100.0%	100.0%	0.77%	7.27%	-8.66%	3.68%	-1.26%	-4.12%	
POLICY TARGET BENCHMARK				0.64%	8.60%	-8.68%	4.37%	-0.19%	-6.47%	
TOTAL VALUE ADDED DUE TO										
Asset Mix				0.29%	-0.81%	1.15%	-0.33%	0.62%	2.01%	
Active Management				-0.15%	-0.42%	-1.12%	-0.33%	-1.68%	0.49%	
Total Value Added				0.13%	-1.23%	0.03%	-0.66%	-1.06%	2.50%	

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

**\*NOTE:**

Monthly returns and market values are preliminary and subject to change.  
Returns are net of investment management fees.